

## § 123.1

## 13 CFR Ch. I (1–1–05 Edition)

- 123.504 How do you apply for a Military Reservist EIDL?
- 123.505 What if you are both an essential employee and the owner of the small business and you started active duty before applying for a Military Reservist EIDL?
- 123.506 How much can you borrow under the Military Reservist EIDL Program?
- 123.507 Under what circumstances will SBA consider waiving the \$1.5 million loan limit?
- 123.508 How can you use Military Reservist EIDL funds?
- 123.509 What can't you use Military Reservist EIDL funds for?
- 123.510 What if you don't use your Military Reservist EIDL funds as authorized?
- 123.511 How will SBA disburse Military Reservist EIDL funds?
- 123.512 What is the interest rate on a Military Reservist EIDL?

### Subpart G—Economic Injury Disaster Loans as a Result of the September 11, 2001 Terrorist Attacks

- 123.600 Are economic injury disaster loans under this subpart limited to the geographic areas contiguous to the declared disaster areas?
- 123.601 Is my business eligible to apply for an economic injury disaster loan under this subpart?
- 123.602 When would my business not be eligible to apply for an economic injury disaster loan under this subpart?
- 123.603 What is the interest rate on an economic injury disaster loan under this subpart?
- 123.604 How can my business spend my economic injury disaster loan under this subpart?
- 123.605 How long do I have to apply for a loan under this subpart?
- 123.606 May I request an increase in the amount of an economic injury disaster loan under this subpart?

AUTHORITY: 15 U.S.C. 634(b)(6), 636(b), 636(c); Pub. L. 102-395, 106 Stat. 1828, 1864; and Pub. L. 103-75, 107 Stat. 739; and Pub. L. 106-50, 113 Stat. 245.

SOURCE: 61 FR 3304, Jan. 31, 1996, unless otherwise noted.

### Subpart A—Overview

#### § 123.1 What do these rules cover?

This part covers the disaster loan programs authorized under the Small Business Act, 15 U.S.C. 636(b), (c), and (f). Since SBA cannot predict the occurrence or magnitude of disasters, it reserves the right to change the rules

in this part, without advance notice, by publishing interim emergency regulations in the FEDERAL REGISTER.

#### § 123.2 What are disaster loans and disaster declarations?

SBA offers low interest, fixed rate loans to disaster victims, enabling them to repair or replace property damaged or destroyed in declared disasters. It also offers such loans to affected small businesses to help them recover from economic injury caused by such disasters. Disaster declarations are official notices recognizing that specific geographic areas have been damaged by floods and other acts of nature, riots, civil disorders, or industrial accidents such as oil spills. These disasters are sudden events which cause severe physical damage, and do not include slower physical occurrences such as shoreline erosion or gradual land settling. Sudden physical events that cause substantial economic injury may be disasters even if they do not cause physical damage to a victim's property. Past examples include ocean conditions causing significant displacement (major ocean currents) or closure (toxic algae blooms) of customary fishing waters, as well as contamination of food or other products for human consumption from unforeseeable and unintended events beyond the control of the victims.

#### § 123.3 How are disaster declarations made?

(a) There are four ways in which disaster declarations are issued which make SBA disaster loans possible:

(1) The President declares a Major Disaster, or declares an emergency, and authorizes Federal Assistance, including individual assistance (Assistance to Individuals and Households Program).

(2) If the President declares a Major Disaster limited to public assistance only, a private nonprofit facility which provides non-critical services under guidelines of the Federal Emergency Management Agency (FEMA) must first apply to SBA for disaster loan assistance for such non-critical services before it could seek grant assistance from FEMA.